

**SMALL USAID MISSIONS AND THE FUTURE:
PROTECTING AND UPGRADING OUR
OVERSEAS CAPABILITIES**

A Report Prepared Under the Sponsorship of
The USAID Management Council

February 11, 2000; Revised April 27, 2000

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[Doc: SMFINALREPORT427-3.doc]

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SMALL USAID MISSIONS AND THE FUTURE: EXECUTIVE SUMMARY AND CONCLUSIONS

At the Agency's Mission Directors Conference in November 1998, substantial attention was focused on the conundrums facing USAID's smaller missions as they attempted to deal with staffing limitations and support deficiencies in the face of increasing program performance and accountability requirements. Shortly thereafter, in early 1999, the USAID Management Council began to face these issues. This report is the product of the work of three working groups that were formed to deal with program management concerns, management systems and structures, and personnel and human resources issues.

Three overarching conclusions emerge from this review of the circumstances facing our smaller missions, defined throughout as those with eight or fewer U.S. Direct Hire employees, i.e. our "small" and "medium" missions as defined by directive (ADS). First, these missions are a valuable asset, and have proved that they can effectively deliver development assistance and promote USAID interests in a variety of circumstances. Second, they increasingly are our normal mode of overseas operations (already, 57% or 38 of 67 USAID missions are in these two smallest categories), and not exceptions to the rule. Third, for both of these reasons we must pay greater attention, on a sustained and continuing basis, to their needs and requirements. This will require a change in our culture and thinking; we are still attuned to larger establishments, and regard the smaller ones just as miniature versions of "regular" ones, rather than as a new pattern of operations.

This is not to say that there are not alternative ways of operating abroad to stretch our limited resources. Comments on early drafts of this report, from some of our most experienced and thoughtful officers, provided several examples of such approaches that show considerable promise. However, for the foreseeable future, we believe that our current approach to managing overseas activities by missions on the ground is likely to predominate, even if these missions are considerably smaller than they have been historically. For that reason, we have chosen to focus attention on making it easier for smaller missions to be effective, rather than to explore alternative mechanisms and operational patterns. The latter of course should not be ignored and may in fact be necessary and desirable in the future, but we strongly believe that the most prudent current approach is to concentrate on improving what we already have rather than on developing alternatives.

Our recommendations are presented in four sections, as developed by each of the three working groups, with some additional proposals developed by the overall project team.

The Human Resources recommendations deal with the configuration and communications capabilities of smaller missions, with ensuring that staffing is adequate and that service at these missions receives proper recognition, and with emphasizing that we must take full advantage of tools available to maximize the effectiveness of our critical FSN workforce.

The Management Support Systems and Structures recommendations are the result of efforts to define requirements at smaller missions for each of four essential support functions – controller, executive officer, information resource management, and acquisition and assistance – and then to develop strategies for providing services in each of them. Possibilities include

support by the mission itself, by larger supporting missions, by regional centers, by other agencies, or by USAID headquarters.

Recommendations concerning Program Management and Operating Systems emphasize the need for careful scheduling of required reporting, and minimizing unscheduled and time-consuming ad hoc requirements. Standardization and technological improvements can help, as can redesign of some reporting requirements.

Finally, concluding recommendations suggest changes in coordination procedures, better matching of strategic planning and resource considerations, and greater clarity in what is required of our smaller missions.

Fuller explanations underpinning the recommendations are contained in the individual working group reports presented in the body of the report. Additional information relating to the methodology and participants in the study, data regarding important facets of USAID mission operations, and some ancillary material are presented in the annexes.

Improving the capabilities of smaller USAID missions is a daunting but manageable task. What is required is comprehensive strategic attention, not just piecemeal focus on a whole series of seemingly unrelated problems. What we require of our missions programmatically and managerially, how we organize and coordinate ourselves, and how we recruit, train, assign and reward our workforce are all key components of the puzzle, and they all impact on each other.

This study was conducted simultaneously with two related exercises, all three intended to enhance our ability to carry out overseas operations in a new era. These activities were the development of a new policy for non-presence operations (those managed from outside the country of application), and exploration of using the regional administrative support center model to improve the delivery of administrative services to many of our missions. There was substantial coordination among all of these projects, and it is our belief that they complement each other. It should be noted, for example, that this study's Management Support recommendations make frequent reference to the idea of administrative support centers.

We do not purport to have addressed all of the important issues involved, but we hope this report is seen as a good start. If so, we need the resolve and hard work of the whole Agency to provide a better future for these important components of our overall efforts.

SMALL USAID MISSIONS AND THE FUTURE: PROTECTING AND UPGRADING OUR OVERSEAS CAPABILITIES

Introduction and Background

The November 1998 Mission Directors Conference drove home a concern that many field managers have held for some time: that our smaller USAID missions face special operational problems and circumstances which are often not well attended to, especially by Washington. Many USAID missions currently have staffing limitations that constrain their ability to manage for development results and to meet adequately accountability requirements. Such deficiencies are most apparent in small missions, but even some missions with sizable staffs are affected. Problems cited by the Mission Directors included inability to fill key positions at hardship posts, difficulty in hiring qualified local staff because of inadequate pay scales, newly hired or poorly trained FSNs, promotion precepts that reward supervisors of large staffs and thus make small missions less attractive to our best officers, and workloads that compare with those of large missions with many more staff. Perceptions of some of these difficulties were modified in the course of our analysis. As a group, however, these problems seem likely to have even more salience in the future, as small missions become the norm for our operations. This fact of life is clearly demonstrated by the table on the next page.

At a time when we face severe limitations on OE funds, it is increasingly clear that our missions will be smaller in size than has been our historical pattern. Increasing demands for USAID presence and activities abroad exacerbate this trend. Small and medium-sized USAID missions have proven to be effective in promoting USAID interests in diverse settings; they are clearly major Agency assets, and we must do whatever possible to make them as effective as possible. This will require a change in our thinking. We are still attuned to larger missions as the normal pattern and try to force the way we operate at the smaller ones into the same mold as much as possible. This is usually a mistake, we conclude.

In early 1999, the Management Council began to take up these issues, and quickly concluded that they spanned the full gamut of operational considerations, from staffing to procurement to programming to support from regional offices and Washington. Because of the cross-cutting nature of these issues, the Council, with its Agency-wide perspective, was deemed to be well-positioned to be the action organization for ensuring that missions with staffing deficiencies are not unduly burdened by excessive requirements for reports and other work, or by unnecessary operational constraints. A special Small Mission group was set up under the Council to analyze the constraints facing smaller missions and to develop recommendations for the Council and ultimately for senior management.

The following chart shows in stark terms how pervasive small and medium-sized missions are in our overseas operations: fully 57% (38 of 67) of our missions fall in the small or medium sized category. As will be discussed later, the group believes the problems facing both categories are substantially identical.

Actual Distribution Missions and USDH Staff

USDH No.	# Missions	% of Total	# USDH	% of Total
1	8		8	
2	10		20	
3	2		6	
4	2		8	
Small Total	22	33%	42	7%
5	4		20	
6	3		18	
7	7		49	
8	2		16	
Medium Total	16	24%	103	17%
9	2		18	
10	3		30	
11	3		33	
12	1		12	
13	3		39	
14	4		56	
15	5		75	
Large Total	21	31%	263	44%
16	2		32	
17	2		34	
18	1		18	
19	1		19	
21	1		21	
Full Support Total	7	10%	124	21%
Egypt 64	1	1%	64	11%
Total Missions	67	100%	596	100%

Data is derived from the "USAID Overseas Posts - Staffing and Functions (as of 9/30/99)" table prepared by David Neverman, Analysis by Lawrence Brown, M/HR/PPIM. Data was adjusted to **exclude** non-presence countries, regional service centers, RHUDOs, and PPC and BHR overseas postings, and grouping E&E country programs managed by the Caucasus and Central Asian Republics missions. An accompanying graph is in Annex C.

Mission percentages do not total 100% due to rounding.

Even more surprising that the extent to which our missions have become smaller is the level of responsibility that we place upon the small number of direct hire Americans assigned to them. Our analysis shows that at our smallest missions, each person assigned is responsible for managing a disproportionate share of our programmatic

workload. The chart on page 7 following this page makes this clear: At the smallest missions, the average portfolio is \$12.7 million annually per USDH; at medium missions, \$4.2 million; at large missions \$6.1 million, and at full support missions, \$5.0 million. It is critical that we make our small units operate as effectively as possible, and give them as much support as possible, given what we ask them to do.

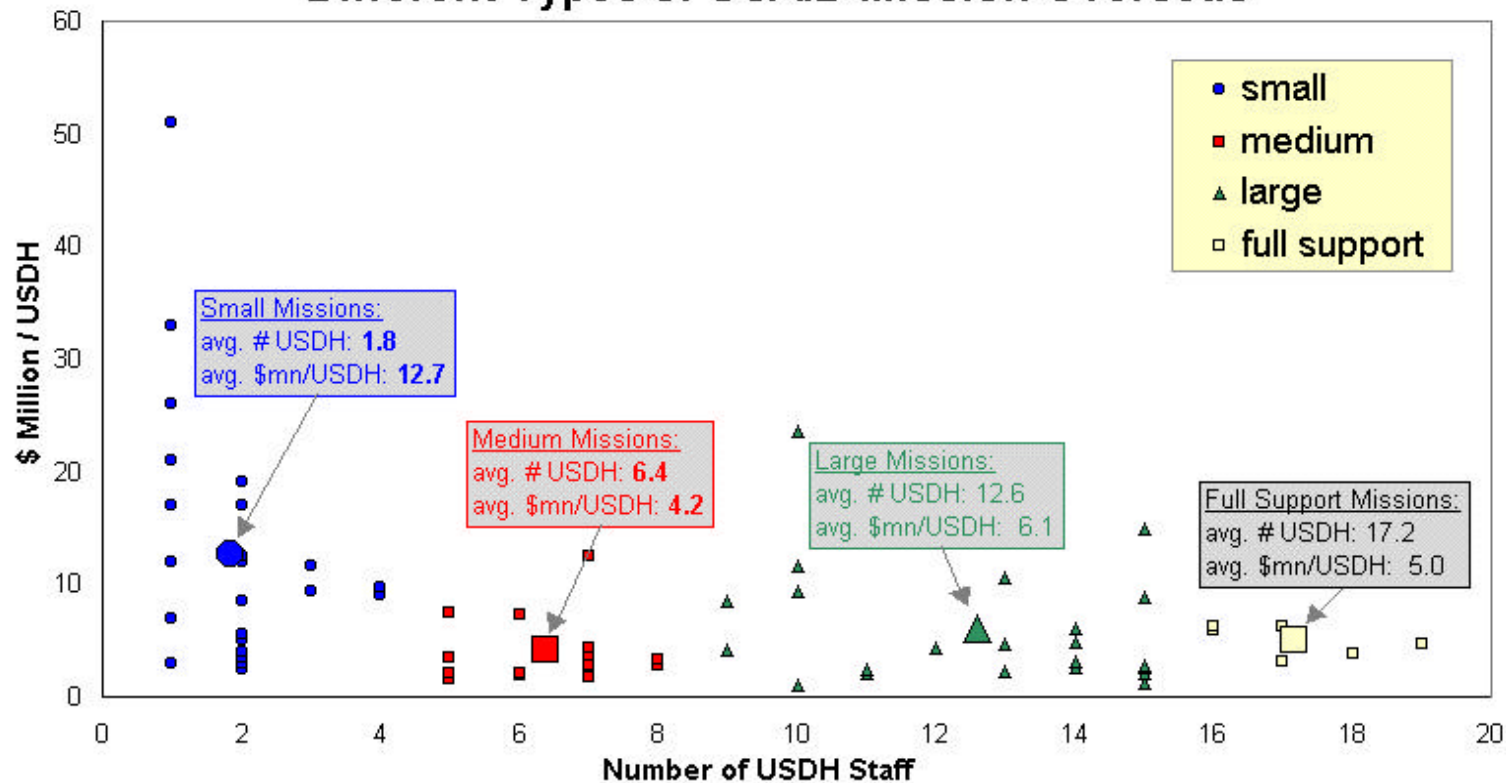
Refining the Problem

Drawing upon discussions with Mission Directors during their November 1998 conference, subsequent communications with some of them, and discussion in Washington, the Council concluded that the following issues were among the most important of those needing to be addressed:

1. How do we balance the requirements of our internal management systems with severely limited mission management staff?
2. Can we find ways to make our Agency systems and acquisition instruments less labor-intensive, workloads more appropriately distributed, programs less complex, and reporting requirements less burdensome?
3. In the face of limited OE resources, how can we accomplish needed training for all categories of personnel, which becomes more critical when we have fewer people available? For example, how can we prepare NEPs to assume full responsibilities more quickly, including at small missions?
4. How can we overcome recruitment difficulties that are a result of small size and generally lower-graded positions?
5. How can we assure that FSN staffers are adequately compensated to ensure quality staff can be recruited and retained?
6. How can we balance accountability and implementation pressures with the work of sustainable development?
7. How do we provide needed management and program support for small USAID missions from regional missions or "clusters" of missions, larger bilateral missions, and Washington?
8. As small USAID missions become more dependent on other units for support, do we need to reassess the role that desk officers and other Washington staff should play?

None of these issues was considered to be limited solely to our smaller establishments, and it was decided to include both small and medium-sized USAID missions in the study as those we believed to be most affected by these problems. Lessons learned at these missions are likely to have wider applicability throughout our system. We were also mindful that such a review could

Program Oversight Burden on USDH Staff in Different Types of USAID Mission Overseas



Source: Data from Lawrence Brown's "USAID Overseas Posts: Staffing & Functions," 30 September 1999.

This graph produced by RBirkenes, USAID/AFR/DP, 01 March 2000.

This information should be viewed as only a rough presentation of the overseas organizational distribution of USAID and its program resources from which a reasonably accurate view of relative distributions can be derived.

It should not be viewed as authoritative.

not produce successful outcomes if it were limited to Washington perspectives. Thus, every effort has been made to include mission directors and others assigned to the field in every stage of the review. (See Annex A for methodology, Annex B for participants.)

After a hiatus necessitated by the pressures of new developments such as Kosovo on those most involved with the study, it was taken up again in August. Among the first steps was the determination by members of the study's Senior Advisory Group that the issues outlined above could usefully be divided into three broader groupings, and that each of these clusters of issues should be assigned to a separate working group. The bulk of this report represents the reports of each of these groups, which were defined as follows:

Working Group I: Program Management - Operating Systems, Accountability and Implementation: The balance between adequate funds control versus adequate authority to function efficiently; cash management; liaison with accounting stations and with Embassy controllers, particularly for small programs such as Self-Help; management of Global Bureau or regional activities.

Working Group II: Management Support Systems and Structures: Liaison with the U.S. Embassy including the negotiation of ICASS; effective security of personnel and information in an environment with limited resources for security; effective use of TDY assistance; adequate mission coverage.

Working Group III: Personnel and Human Resources: Recruiting USDH staff with the training, experience and flexibility to handle a wide range of responsibilities effectively; rewarding them appropriately; and finally, the role of the Embassy's Local Compensation Plan.

Note: For greater clarity, the working group reports are presented in the order listed in the Outline, rather than by the numbers initially assigned to the groups.

What Is A "Small" Mission?

The focus of the Small Mission Group has been those missions that have staffing limitations that constrain them in adequately managing for results and in meeting accountability requirements. The Group determined that these limitations exist in missions that meet the Agency's definition of "medium" as well as "small" missions. Therefore, it should be noted that the use of the term "small missions" throughout this report should be read to include both groups. ADS 102 defines small and medium missions as follows:

Small missions manage start-up, ongoing, or terminating programs that are limited in size and breadth to one or two strategic goal areas.¹ Typically, these missions are staffed by a senior manager and one or more technical/program managers, with one to four USDH employees. Small missions engage directly with host governments in planning and overseeing U.S. assistance programs and rely on

USAID/W, full missions, or regional hubs for technical, program and administrative support services (Chapter 102).

¹ The number of strategic assistance areas a small mission is involved in also depends upon the operating style and resource availability of the geographic bureau. For example, in the E&E Bureau, there is considerable capacity in Washington to support field missions. Thus, small missions in the E&E Bureau are able to be involved in a greater number of discrete activities than small missions in other bureaus.

Medium missions conduct USAID's major programs within two to three strategic goal areas and are managed by a technical/program management staff. Typically, a medium mission consists of five to eight USDH and tends to rely on regional hubs, full missions, or USAID/W for program and PDO support and on ICASS or regional hubs for administrative support (Chapter 102).

Taking into consideration the full range of functions needed at the mission level, a somewhat modified alternative definition of small to medium missions is helpful. It is: Those with eight or fewer USDH that do not have resident at post the complement of USDH staff needed to carry out critical mission functions (i.e., programmatic/technical oversight, procurement, administration, financial management, legal, and information resource management). This definition recognizes that all small and many medium missions, because of their limited staffing complement, face a host of issues associated with programmatic and financial vulnerability. One would expect that the problems associated with short staffing would be more acute in smaller missions.

It is important to note that some missions with few direct hire employees can obtain needed services from PSC's or FSN's, while others with the same number of direct hire Americans do not have access to such additional resources and are much harder pressed. Similarly, some missions with very few direct hires have program levels which are quite small, while others manage much larger portfolios. Thus, we need to be pragmatic and flexible in applying any definitions. What matters are the collective conditions faced by a mission. Even so, the ADS definitions are a useful starting point and serve as a reasonable gauge of missions having the most serious problems. The data presented in Annex C provide some quantitative indicators of why these difficulties exist.

Overview of Recommendations

In the next section, we present a combined list of recommendations developed in the course of the study. The primary focus throughout is on reducing the workload for our smaller missions without limiting their capacity to operate our programs and to meet accountability requirements. This requires improving the support for them and their operational efficiency. At the same time, some of the proposed actions would, we believe, reduce the overall workload for those serving in the rest of the Agency as well. Where possible, we have emphasized these proposals. The recommendations made by each of the three working groups are presented in order, followed by additional general recommendations developed by the project team. Fuller explanations are contained in the individual working group reports in later sections.

The Human Resources recommendations deal with the configuration and communications capabilities of smaller USAID missions, with ensuring that staffing is adequate and that service at these missions receives proper recognition, and with ensuring that we take full advantage of tools available to maximize the effectiveness of our critical FSN workforce.

The Management Support Systems and Structures recommendations are the result of efforts to define requirements for each of four essential support functions – controller, executive officer, information resource management, and acquisition and assistance – and then to develop strategies for providing services in each of them. Possibilities for support include by the USAID mission itself, by larger supporting missions, by regional centers, by other agencies, or by Agency headquarters.

Recommendations concerning Program Management and Operating Systems emphasize the need for careful scheduling of required reporting and minimization of unscheduled and time consuming ad hoc requirements. Standardization and technological improvements can help, as can redesign of some reporting requirements.

Finally, concluding recommendations suggest changes in coordination procedures, better matching of strategic planning and resource allocation, and greater clarity in what is required of our smaller missions.

Recommendations

The following recommendations were derived from and follow the recommendations of the three working groups presented with each group report later in this study. These recommendations also draw upon additional recommendations developed outside the working groups during the course of the study. The latter are presented below, following the group reports. However, the current recommendations are not identical to these initial ones. In some instances circumstances have changed while the study was being conducted. In addition, there was a need to eliminate redundancies arising when more than one group made recommendations in the same topical area. Priorities, action offices, and timeframes for implementation have also been assigned since the working group recommendations were developed. The recommendations here are identical to those presented in the Small Mission Implementation Plan prepared in April 2000. For greater information underlying these recommendations, readers are urged to consult the working group reports.

The primary focus is on the category 1 recommendations below. This does not mean that recommendations in other categories do not have merit, or that they should not be implemented if the opportunity to do so arises. Our operating assumption is that it is better to ensure that a few very important changes are made, rather than to jeopardize the whole effort by overextending.

1 – High Priority Recommendations: Immediate Implementation

1. Organizational Analysis. The Agency will require an organizational analysis for all new USAID missions prior to start-up. M/HR's Policy division and OMS can assist regional bureaus with these analyses. Analyses should review cost, security, nature and scope of the development program, the level of in-country and regional support services, and suitability of proposed staffing configuration to program requirements. These analyses do not have to be exhaustive studies, but should review the options, advantages and disadvantages of various mission configurations.

Action: Regional Bureaus, M/HR/PPIM, M/AMS/OMS

Timing: When opening new USAID missions is being considered

2. Intranet Access. Recognizing that major external obstacles exist, the Agency should continue to pursue all feasible steps to assure that all small and medium missions have access to USAID's Intranet, and to the public internet for sharing information with partners. Until this is possible, USAID/W and, in particular, Regional Bureaus (with the assistance of M/IRM) need to make alternative arrangements for transmitting essential information, such as ADS chapters, to these missions more expeditiously. More generally, small missions should be provided with the latest information technology and related training to reduce workload. The Agency should seek to take advantage of the Internet as both a "free" communications resource and as a means for better servicing remote locations.

Action: AA/M, M/IRM, Regional Bureaus

Timing: Ongoing

3. Small Mission Service Credit. Foreign Service Performance Boards will continue to credit service in small missions as one of several factors that demonstrate an officer's versatility.

Action: M/HR

Timing: June, 2000 and Ongoing

4. Evaluating Regional Service Providers. As part of the AEF process, *Missions* serviced by regional missions or operations should provide 360 feedback to appropriate rating officers on the quality and timeliness of regional services. This information should be incorporated into the AEFs of the principal officers by the appropriate DAAs, as well as in the regional officers' AEFs by their raters at post. M/HR will send out a reminder notice to the field to solicit feedback on the effectiveness of regional services, to ensure that this information is incorporated in annual performance evaluations.

Action: M/HR continue to require, monitor

Timing: Ongoing, for each Evaluation cycle

5. FSN Compensation. Mission Directors are urged to assure that USAID's views are factored into the Post's annual FSN compensation questionnaire. Missions are encouraged to work closely with their country team on the questionnaire (which permits differing U.S. agency views). Missions should also register their unique requirements with M/HR, which will work closely with Missions, and will actively seek resolution of these issues with State's Office of Overseas Employment (PER/OE).

Action: Regional Bureaus, Mission Directors, M/HR

Timing: When Compensation Questionnaires being developed

6. Streamlined Recurring Reporting. Early in the fiscal year, USAID/W should issue a comprehensive world-wide list of required recurring reports/calendars of events, including due date, so that missions can adequately plan their work in advance. This would build on the current listing of required Congressional Reports. PPC should take the lead in issuing such a list in consultation with other central and regional bureaus; ES should monitor compliance. Any reports not included on the list must be explicitly approved by PPC in consultation with the relevant bureau(s) before requested of the field. PPC will also have the authority to waive compliance for small missions. M and LPA will assist PPC with preparing the list in September and October of each year, and subsequently with reviewing any ad hoc requests.

Action: PPC coordinate with ES assistance; all other Bureaus participate

Timing: Annually, September/October

7. Limiting Small Mission Requirements. All central and regional bureaus should take explicit steps to provide a central individual, normally an experienced officer, who together with M and PPC will be responsible for overseeing, coordinating and monitoring the needs, tasks and requirements placed on small missions. Included in these responsibilities will be ascertaining the best source for meeting significant USAID/W one time/ad hoc requests for information. Every attempt should be made to reduce ad hoc and unplanned for reporting requirements that our survey of small missions revealed to be a major management difficulty for them.

This central focal point might be a bureau coordinator or perhaps regional coordinators in central bureaus. In addition, a Notice from the Administrator should be issued directing USAID/W units *to* look first to non-mission sources of information (R4s, CPs, strategic plans, evaluations, desks, CDIE, etc.) before going to field missions for ad hoc information needs. Discipline in Washington is at least as important as these formal steps

Action: PPC lead, Bureaus designate coordination mechanism

Timing: July 1, 2000 for establishment of coordination mechanisms; ongoing monitoring once they are established

8. Washington Backstopping. Regional Bureaus should clarify and promulgate roles and responsibilities of Washington and mission personnel in providing services and backstopping to the smaller missions. This is particularly important with respect to computer, contracting, controller, and EXO/ICASS functions, and coverage during periods of leave and turnover.

Action: Regional bureaus; technical assistance as necessary from M Bureau

Timing: September 30, 2000

9. Relating Strategic Objectives and Procurement Approaches. PPC will revise programming system guidance - ADS 201 (Planning) and ADS 202 (Achieving) - to reduce operating costs and workload, especially at smaller missions. For bureaus and missions, this will entail better planning to prioritize and focus program objectives and to make greater use of shared procurement instruments through buy-ins and task order type arrangements. Shared arrangements can be internal to USAID or through other agencies. Using shared procurement instruments will ease our up-front procurement work and hasten implementation thereby reducing workload. Bureaus will also be expected to provide more detailed strategic planning guidance, with focused and clear parameters, to operating units. The parameters will specifically address expectations for reducing the management burden caused by activity proliferation.

Action: PPC for revised ADS; all Bureaus for strategic planning guidance

Timing: July 1, 2000 for revised ADS; next cycle for planning guidance

10. Training to Support Small Mission Operations and Services. With reduced staffing levels, comprehensive training is a fundamental element for successful operations. Prospective Mission Directors must be equipped not only with technical expertise but also with administrative skills (e.g., basic contracting, legal, property management, financial management). These training needs should be met through such measures as expanded administrative modules in the Mission Directors course and appropriate short courses. Similarly, parent offices for the several management support backstops (EXO, IRM, A&A, Controller functions) should take the lead in increasing understanding and sensitivity on the part of those in full support/regional missions servicing smaller missions, tailored to the special requirements small missions face. Yearly backstop conferences would provide one such opportunity. Finally, consideration should be given *by smaller missions* to cross training selected local support staff members in simple system administration tasks as a collateral duty. Whenever possible, such training should take place prior to employees assuming positions at post.

Action: M/HR for courses; parent offices for backstop items, small missions for cross training

Timing: Revised training for June 2001 Mission Director/Deputy Mission Director

Courses; as soon as possible for backstop activities and FSN cross-training

11. Limiting Management Support to non-USAID Organizations. In those instances where USAID's role is essentially administrative and not programmatic (e.g., Self-help and 116e - Human Rights and Democracy), management support responsibilities should be transferred to the implementing U.S. agency (State, Justice etc). Alternatively, if there is no option to continuing such management support activities, USAID should seek to have them included as ICASS services and be reimbursed accordingly. M/B should develop listing of programs *in this category* during the Spring 2000 budget review, and then recommend how proceed.

Action: M/B, other bureaus as involved

Timing: June 1, 2000 for initial listing; TBD for negotiating turnover

12. Outsourcing Services. M, in consultation with PPC and GC, should develop an Agency-specific policy on outsourcing selected administrative and support services that is consistent with OMB guidance on inherently governmental functions and related laws and policies, e.g., FAIR Act, OMB Circular A-76. The new policy should give particular attention to the needs of small missions. It should be included or cross-referenced in planned revisions to ADS 201, which will address management planning as an integral component of strategic planning.

Action: M, M/OP with PPC and GC

Timing: September 30, 2000

13. Comprehensive Mission Data Base. It is essential for the entire agency to understand exactly the circumstances faced by smaller missions – how they operate, how they are staffed and by whom, the nature and size of their responsibilities, and the match between resources and requirements. To that end, M/HR should be tasked with maintaining access to an updated mission data base, This data base should include number of personnel by categories, administrative arrangements, budget, and number of SOs - similar to the chart presented in Appendix C of the full small mission report. It should be distributed widely throughout the Agency at least semi-annually, and whenever there are significant changes.

Action: M/HR/PPIM

Timing: First new chart 10/1/00

2 – Medium Priority Recommendations, Implement as Possible

These recommendations are also important, and we suggest that they be reviewed periodically by AA/M, AA/PPC and if appropriate the Management Council so that as opportunities develop, they can be implemented. Thus time frames have not been suggested, although action offices are identified.

1. Include a regular column on lessons learned from small USAID missions on EXONET so that best practices can be shared; target small and medium missions, even those without an Executive Officer. OMS EXONET manager should be the channel for accomplishing this.

Action: M/AS/OMS

2. Expand strategic planning to include management planning. ADS 201 should be revised to require that USAID Missions preparing strategic plans include a program management section as part of the plan. This is already a nominal requirement, but it needs to be strengthened and emphasized. This section would discuss the proposed staffing configuration to support the proposed strategy, including use of support from neighboring missions or Washington.

Action: PPC, M, M/B, Regional Bureaus, G

3. Increase awareness of local capacity to perform required services. Small missions should inventory functions and determine outside options, including Washington, for obtaining services (e.g., small missions may utilize some or all ICASS services and close some or all EXO operations).

Action: Missions, M, Regional Bureaus

4. Select information technology products that permit remote administration wherever possible. Consider standardizing on Information Technology (IT) products used by State wherever possible, to facilitate getting support from within embassies.

Action: M, M/IRM, Regional Bureaus

5. Improve system administration capabilities at small missions by contracting for local support on an on-call basis, and by acquiring spare parts up front (e.g., for a staff of 5, buy 6-7 PCs) to reduce vulnerability to system problems.

Action: M, Regional Bureaus

6. Require at least one FSN procurement specialist/negotiator to be on the staff of every field mission that does not have a resident CO. Similarly, require each mission having a CO to have on staff an FSN-12 Procurement Specialist to ensure quality service to small missions when the CO is away from his/her home base.

Action: M/OP, Regional Bureaus

7. Investigate the feasibility of preparing a comprehensive description of regulations pertaining specifically to small missions. If possible, this listing should be included in the ADS. Alternatively, sections of the ADS that are not applicable to small missions should be explicitly identified.

Action: Ops Governance ADS Team

3 - Areas Requiring Further Study or Facing Implementation Constraints

1. Canvas small missions on the various recommended approaches to organizing Regional Appraisal Committees to review the work objectives and performance evaluations of

small mission employees, in light of logistic constraints. The preferred approach indicated by this survey should be piloted in March 2001.

Action: M/HR, in conjunction with Regional Bureaus

2. Replace USDH and US/PSC EXOs in small Missions with a FSN or a TCN EXO. In many cases, this would require an extensive training program. (M/AS/OMS is already working on this, but there are questions of feasibility.)

Action: M/AS/OMS

3. Consider the creation of a new "Business Manager" position at small missions. This position would be responsible for management of administrative as well as program activities within the mission, effectively combining the responsibilities of an EXO, Program Officer, and Deputy Mission Director, and in some cases, Contracting Officer. Such an approach would require rethinking of traditional career paths, backstops, and training. It would recognize that, while large missions often have several staff who perform these functions, small missions also need these vital support services, but must deploy much of their staff resources to direct sustainable development work.

Action: M, M/HR, Regional Bureaus

4. Continue to explore means of expediting allocation of funds to missions, so that all sites will have more time within the fiscal year to manage their procurement activities.

Action: M, M/B, PPC, Regional Bureaus, LPA

5. Identify senior COs in each of the regional missions to serve as coordinators for the provision of A&A services in the region, including covering other missions during absences of their COs.

Action: Regional Bureaus, with M/OP technical assistance

4 – Recommendations that are already being acted upon.

During the course of the study, work began on resolving several problems that had been identified separately. We applaud these efforts, and hope they will continue to be acted upon.

1. Continue current efforts to standardize formats of comprehensive annual reports (e.g., Budget Justification, formerly known as the Congressional Presentation) and the R4 to minimize data collection and reporting requirements. Similarly, required report formats should be standardized and loaded onto the Internet to the maximum extent practical for easy data collection and use.

Action: LPA, M and PPC

2. Require Cognizant Technical Officer (CTO) training for all individuals with this responsibility in order to improve the effectiveness of the overall A & A program and reduce

the CO workload associated with contract and grant administration. This is underway, but emphasis on completing it as soon as possible is needed.

Action: M/HR, M/OP

Personnel and Human Resources

The Human Resource subgroup identified and studied three personnel related issues confronting small USAID missions: mission configuration, US direct hire staffing and promotions, and Foreign Service National compensation.

Mission Configuration

The Agency currently has 38 small/medium missions, identified as those with up to eight direct hires (ADS 102), as indicated in the table presented previously. They now represent 57% of our 67 overseas missions, and are the predominant mission staffing configuration. As noted earlier, on an important measure of responsibility, each USDH assigned to these smallest missions manages a disproportionate share of our overall portfolio.

Historically, large USAID missions have been synonymous with the most important development priorities. Small missions, on the other hand, were responsible for programs of lesser strategic political importance and were usually located in countries where programs were just evolving or, within the LAC Bureau, in countries where programs were approaching graduation. Over time, the small mission has become the norm for the new USAID – particularly programs in transition countries such as Congo, Nigeria, Albania, Azerbaijan, Eritrea, and throughout Eastern Europe. This move to small missions has also been reinforced by enhanced security requirements abroad, which have predetermined the number of direct hire permitted to serve in a particular country. In 1999, USAID established three new small missions in Nigeria, Kosovo, and Congo.

While large (USDH staff of 9 – 15) and full support missions (USDH staff of 16 or more) comprise 42% (28 of 67) of USAID overseas mission operations, they have traditionally dominated USAID programming and command the greatest attention in terms of staffing requirements. The move to smaller missions requires equally careful planning and attention to their specialized human resource requirements. Put another way, the small mission may not by definition be a high priority, but a position within a small mission usually requires priority attention.

Focus groups with AMS staff from regional bureaus, and with former USAID Representatives and other senior members of small missions, revealed that there has not been consistent Agency planning associated with the design of small mission configuration. Multiple exogenous factors unrelated to development come into play in setting up small USAID missions, such as the countries' foreign policy significance, Department of State presence, earmarks and Congressional interest, natural disasters, visibility in the U.S. press, and security concerns. Our study found that 10 of the Agency's 22 smallest missions (four or fewer USDH's) are co-located within U.S. Embassy facilities. While co-location has certain advantages in terms of shared operating and security costs, it has presented real challenges to staffing USAID operations in accordance with historic patterns. For example, in Albania, the mission is allowed only a limited amount of residential and office space on the embassy compound, which has driven to a large extent the way in which the \$28 million program is run and how positions are designated. Another key factor in the way small missions are set up appears to be the preference of the Mission Director and his/her comfort level with assuming certain support functions.

In the absence of structured criteria for establishing new small missions, the Agency has, de facto, ended up with a number of organizational models for conducting business in such settings. There are one person satellite offices (e.g., Central Asia, where the "core" mission is located in Almaty and one-person offices are located in Kyrgyzstan, Uzbekistan, and Turkmenistan; the Tajikistan office presently has no USDH due to security concerns). There are bilateral missions set up within other regional missions (Somalia), there are freestanding missions (Eritrea), and there are co-located missions within embassy compounds (Albania). A major finding of our group was that organizational decisions are not being made on a systematic basis -- using relative factors such as cost, security, nature and scope of the proposed development program, level of existing local services (such as in-country transportation and communication infrastructure, availability of English speaking staff, adequate hotels and conference facilities) and the level of regional support services. While our group does not favor a "one size fits all" approach, careful consideration should be given to all of the factors mentioned above and a requirement for establishing a new USAID mission should be a concise organizational analysis which addresses all of these factors prior to start-up.

In the absence of such planning, the Agency is scrambling -- after the fact -- to respond to organizational needs and may be adopting and replicating models of operation drawn from historical "big mission" models which are not cost effective or well suited for management of development programs in small missions. As highlighted in the November 3, 1998, report from the Mission Director's conference, "small missions are not merely small versions of large missions; they should have a different set of objectives and constraints." For example, some small missions have opted not to own and operate a motor pool, but rather to lease vehicles, thereby alleviating the need to hire drivers and mechanics. Others have opted to pool costs with the Embassy, or with other USAID bilateral missions or other donors.

The Agency has developed cost effective management systems for small missions but has yet to set up a mechanism for regular communication between small missions to foster an exchange of best practices, training ideas, shared documents and support systems. We recommend that the Agency's Office of Management Services (OMS) incorporate into the widely distributed EXONET a regular column on lessons learned from small missions and feature the innovations of these missions in a "mission of the month article". Another key recommendation is to assure that all small missions have access to the USAID Intranet. Currently 9 out of 22 small missions lack such access, owing largely to exogenous factors. This in turn complicates the transfer of policy and regulatory information to post.

There also appears to be a dichotomy between Washington and Field criteria for determining the number of staff required in a small mission. Based on comments by former senior managers of small missions, the following factors appear to be the most compelling staffing criteria from the field perspective: nature of program/ program levels; state of development/level of local services; size of country and program location; ability to obtain programmatic, technical, administrative, legal and/or contracting support from regionally-based missions or USAID/Washington; and security. Small but complex programs require more staff. Programs operating in countries with limited numbers of English speaking technical professionals require more U.S. direct hire oversight. The number of strategic objectives, the number of stand-alone activities, and oversight/reporting requirements increase program complexity and require more staff. For example: certain types of programs, such as commodity import programs (CIPs), require similar staff levels -- regardless if it is a \$10 million CIP or a \$50 million CIP; and, adding conditionality, which is often a feature of CIPs, may further increase staff requirements in order to analyze progress and monitor compliance.

Small grant programs can also be proportionally more labor intensive than larger grants or contracts.

The **state of development and level of local services** also have similar staffing implications. A more developed country setting implies more sophisticated/educated local nationals, as well as a higher level of locally available administrative support services. This would suggest that programs in more developed countries would be run with a relatively small USDH staff, with the assumption that there would be heavy reliance on FSN staff to undertake many of the “normal” mission functions. In more underdeveloped settings, needed skills and services are not available, thus requiring more USDH and US/PSC responsible for administrative, maintenance, motor pool, and other such functions associated with normal mission operations. Reliable in-country transportation is also a factor. In many small country programs in Africa, for instance, in-country transportation is so poor that it can take days to get to project sites. The **size of the country** also plays a role. In the Congo, monitoring of programs is considerably more difficult than in Djibouti. Finally, the **security situation** is pertinent in determining staffing. Uncertain security situations in countries undergoing severe civil strife and dislocation creates a desire to limit USDH staff presence and minimize vulnerability. Managing the security situation becomes one of the mission’s many administrative requirements, often requires additional staff to monitor the local security situation and makes program monitoring all the more difficult. Simple travel around the country is hindered and often entails greater advance planning and fewer trips.

Staffing and Promotion

The issue of staffing and promotion lies at the heart of concerns vocalized by employees who have served in small missions. There is a strong feeling that small missions are not properly staffed by USDH Foreign Service Officers and are unable to attract top quality staff. First, the Agency is limited in the total number of OE funded USDH we can base overseas. The current number is 652 (which is lower than the 700 level advocated by the Workforce Planning Taskforce in 1997, and reaffirmed by the Management Council in its 1998 follow-up implementation study). Staffing at small USAID missions reflects this reality. The issue is not merely one of fielding officers; it is also related to how many we can afford to have overseas and the many competing requirements for a declining operating expense budget. As small missions become more of an Agency norm, service in a small mission will become part of an identifiable career path in which officers move from more focused assignments in larger missions to broader assignments in smaller posts where there is less direct technical oversight provided.

A review of the last three Foreign Service assignment cycle decisions reveals that small missions are not experiencing a disproportionate number of problems when it comes to filling jobs. There has been a tendency, however, to assign more junior, less experienced USDH technical staff to these missions, particularly in new technical fields such as Democracy, and this lessens the availability of “mentors” for the junior officers. Nevertheless, there is no evidence that this strategy has diminished program results. Furthermore, some would argue that the more junior staff bring a fresh perspective to the workplace and are more likely to be open to innovation and new ways of doing business, a critical feature of work in a smaller, flatter organization. Moreover, small missions tend to attract employees who prefer to work in a less bureaucratic organizational structure, which permits them to engage in a range of development sectors and administrative work. The majority of small missions also have one SMG designated position and therefore are able to attract some of the Agency’s most competitive and accomplished officers.

The problem, however, of coverage during extended periods of leave is a very real one for small missions and has not been adequately addressed by the Agency. There is also a very real concern on the part of senior managers of small programs, that small missions have limited access to contracting, controller, legal, and executive officer services, and that this renders their missions more vulnerable. One suggestion to remedy this situation is to assure that within USAID/W or within the region, roving technical and management field support teams deployed from either Washington or the region are set up to backstop countries during peak workload and vacation periods.

Within Global's PHN Center, for example, there is a field support unit that performs this function for the PHN sector. A comparable coordinated approach to field support should also be established within the Management Bureau that would provide small missions with the depth and reliability of a pool of contracting, financial, legal and executive officer functions. If the Agency moves to regional roving support teams based in bilateral missions, directors of these programs must be held accountable for fielding timely support services to small missions.

There need to be clear agreements at the bureau management level and incentives for directors and technical and support providers to manage well both the bilateral programs they oversee and services to small missions. One way of accomplishing this is to instruct the Senior Foreign Service Performance Boards to credit the effective deployment of regional support services as part of the appraisal process for Mission Directors. Another way of reinforcing the importance of serving at small missions is to incorporate the comments of small mission directors into 360 degree feedback for regional support service providers and Mission Directors.

The Personnel system has put in place several mechanisms that have facilitated staffing of small missions. M/HR now routinely advertises the special features of new small missions, and includes position narratives for all vacancies. In the case of small new missions, which are also foreign policy priorities, the Agency has successfully advertised these jobs to the entire Foreign Service workforce and has permitted officers to break other assignments to serve in these priority jobs. In the past two years this method has been used effectively in the case of Nigeria, Albania, Azerbaijan, and Kosovo.

In response to overall Agency Foreign Service staffing shortages, and with particular sensitivity to the staffing concerns of small missions, M/HR has this year officially established a prioritization process for staffing positions in the 2000 assignment cycle. Bureaus now have the responsibility for selecting first tier jobs that must be filled first with eligible bidders before other vacancies are filled. This process, however, resulted in the identification of only five priority vacancies in small missions out of 106 Agency- wide staffing priorities and a total of nine small mission vacancies listed. Clearly, if staffing small missions is important to the work of the Agency, bureaus will need to make difficult choices between staffing the small missions and the pressure from within their own bureaus to staff larger programs with historically large staffing complements and extensive administrative and programmatic requirements. (Although a general conclusion might be drawn that small mission staffing is not of the highest priority, it would be incorrect to assume that filling each small mission vacancy is not of concern to bureaus -- additional analysis will be required of bureau decision processes.)

Another key issue influencing assignments to small missions is the perceived promotion potential for incumbents of these positions. Historically, the previous Foreign Service Precepts

placed a premium on supervising large complements of direct hire staff and overseeing large portfolios as a prerequisite for promotion. In April 1999, with the issuance of the new Foreign Service Precepts, attention was paid to eliminating any bias towards work in a particular size post. The new precepts, which will be used by the June 2000 Performance Boards, credit increasing span of control, diversity of assignments, contextual results, teamwork, and quality of work, and therefore do not advantage those employees serving in large missions.

A review by M/HR of Foreign Service promotions over the last two years indicated that there are currently 42 employees at small (four or fewer USDH employees) missions. Four of the employees are non-careers and, therefore do not compete for promotion. Thus, roughly 4.4% of those competing for promotions were based in small missions. A review of the promotion lists for the same years revealed that 8% of these employees were promoted. (Over the last two years, there were 162 promotions and out of those, 13 officers served in small missions.) So the promotion rate was almost double what might be expected given that officers serving in small missions account for only 4.4% of the competitors. Thus, there is no evidence to support the conclusion that service in a small mission has an adverse effect on promotion.

M/HR is preparing a new ADS chapter on Foreign Service Performance Boards as well as instructions to the Boards on priority concerns. It is the strong recommendation of our working group that Selection Boards explicitly credit service in small missions as one of several factors demonstrating an officer's commitment to pursuing a variety of assignments. Such guidance should also take into account that USAID's definition of "small mission" has been revised downward as our USDH ranks have diminished. For example, in the mid-1980s, when USAID's total USDH FS workforce numbered over 3000, a mission of less than 9-10 USDH was considered small. In the early to mid-1990s, the threshold of small missions was revised downward to fewer than 7-8 USDH. Today, the threshold is 4 or fewer USDH. Thus, employees who served in small missions five or six years ago (and who faced the same issues small missions face today) should also be credited by the Boards. Indeed, the findings of this report would support inclusion of all missions with USDH of fewer than nine in a common category.

Another suggestion we considered, which has been AFSA's support, concerns the composition of appraisal committees that review small mission employee work objectives and performance evaluations. There are many who have voiced concern that the requirement to have USAID/Washington-based appraisal committees for small missions has disadvantaged small missions, as the committees have been unfamiliar with the work of such units. A recommendation, therefore, is that small missions should be canvassed on the various recommended approaches to organizing Regional Appraisal Committees to review the work objectives and performance evaluations of employees at small missions in light of logistic constraints, and then to pilot the referred approach in March of next year.

FSN Compensation

The 1998 Mission Directors Conference highlighted as one of its concerns the need for USAID/Washington to play a greater role in FSN matters. One continuing comment is that USAID does not fit in the State Department system. While this reflects real frustration with the way the system is implemented in some situations, in fact this is an interagency system, not one designed solely for Department of State needs.

At the Interagency FSN Personnel Policy Coordinating Committee, each agency (including State) has only one vote. The current system does involve a certain amount of hands-on

management, but the framework provided by the interagency system allows each participating agency to justify its position classifications vis-a-vis each other agency, it allows the post as a whole to speak with a single voice in-country, and it allows appeal to Washington when there is disagreement at post. For our purposes, we do not believe that USAID has the resources to develop and maintain a separate system, and we do not believe that Ambassadors would allow us to implement a stand-alone system locally.

Another concern is that we sometimes cannot pay the salaries needed to attract and retain the types of employees necessary to do our work in the overseas environment. In certain situations this is still true. But such occurrences are generally rare and tend to be found in environments where the skills just do not exist on the local economy. In the last three years, the method for setting salaries has totally changed -- and this change is too recent to have been captured in the experience and comments of Mission Directors attending the 1998 Conference.

Until about three years ago, for all of the work involved, posts had very little influence on the outcome of the wage-setting process. Now, with the use of off-the-shelf surveys, the post (and every agency represented there) is almost entirely responsible for the adequacy of their Local Compensation Plan (LCP). Unlike the old contract survey method, the off-the-shelf surveys purchased represent a survey of the entire economy. The data received is on a wide range of firms and international organizations (from 25-30 to more than 200, depending on the country), and the results are expressed as a range with various "percentiles" identified. (For a particular job match, the data may indicate that the job was found in 27 firms/organizations and that the data represent 107 positions -- the 50th percentile would be the rate where 53 persons were being paid less than the identified rate and 53 persons were being paid more; similarly, a salary at the 95th percentile would exist when 101 persons were being paid less and 5 persons were being paid more). Using this information, the Department constructs LCPs tailored to each post's needs. To do this, the Department asks posts on an annual basis where they wish to be positioned in the local marketplace -- unfortunately many posts do not even answer. When posts do not answer, the Department will usually assume a "moderately aggressive" approach, and put the post at or about the 65th percentile. Posts can get to about the 75th to 85th percentile just by asking; and they can get to the 90-95th (and higher) percentile with justification (which usually consists of a cable of about three pages in length describing recruitment and retention problems).

To assure total fairness, the annual request for this information even requests that individual agencies at post describe their own special needs (and encourages separate responses if agencies wish), and the Embassy is required to state which agencies have cleared the final response. The dilemma of small missions is that they often do not have the administrative support staff to conduct the surveys. In these cases, the roving support teams or regional support centers should be tapped to make sure that USAID's FSN compensation rates are competitive and keep pace with the market.

While all is not yet perfect, many problems in this area can be solved by assuring that the positions to be filled are properly classified -- that for higher-level jobs we recruit for the level of skills needed -- and that salaries are set based on experience. To assure that all missions have access to FSN classification competency, HR now offers two week courses in FSN classification for personnel officers and this has become a required course for all entry level Executive officers. HR has also trained all of its geographic personnel teams in FSN classification and this staff is available for TDY support to missions who have complicated classification issues.

FSN retention problems are common worldwide, but the causes are not the same everywhere. In E&E posts, for instance, the initial problem encountered by the USG in general (not just USAID) was the very large pool of unemployed and over-qualified workers. While it may seem like an employer's ideal situation, it manifested itself in overqualified new hires, for example engineers taking driver jobs and scientists taking secretarial jobs. Naturally they wanted to work, and just as naturally they did not want to remain "underemployed," as drivers or secretaries. Coming to work for the USG was a good option, as a large proportion of the educated population spoke better than adequate English, but once employed by the USG they were often rapidly offered higher wages on the outside by American and other expatriate firms -- who considered them trustworthy as a result of having passed our security background investigations. In short, we became the sieve through which many people made it into the private sector.

A related problem arose in many E&E missions due to the rapid way they were started up and the necessary (at that time) reliance on embassies for full FSN personnel management assistance. In one mission, for instance, people would routinely leave USAID to do similar work for other organizations at higher pay. While trying to be responsive to the mission's concerns, State and USAID in Washington were perplexed as the salary surveys showed that we should be quite competitive. What we found was that the problem was not the LCP; it was its implementation. Specifically, USAID professional positions were improperly classified. While State was providing salary data through FSN-11, the embassy was only publishing a LCP through FSN-9 and had set an arbitrary limit on all position classifications. In essence we were requiring FSN-11 work and only paying FSN-9 salaries, while our "competitors" were willing to start our employees at the equivalent of about an FSN-11 salary. The Department quickly intervened and "stopped the bleeding," but not before many potentially valuable employees were lost.

There are still many missions that continue to require fully qualified and experienced individuals to come into USAID at trainee levels. While they certainly do not know what a MAARD or other USAID program document is, they are just as certainly not trainees. If a more attractive offer is presented -- one that respects their experience and previous accomplishments -- they will leave.

While many of the historical problems of FSN management are solved or on their way to being solved, it is a hands-on system. For the small USAID mission, the one or two USDH at post do not have the time or the specific skills to manage the system adequately. Much of this work can be handled by collaborative relationships with other missions. Some of it can be handled offshore (by USAID/Washington or by contract). However, missions should not overlook the delegations now available to the FSN staff, or the many FSN personnel professionals based in missions around the world.

Conclusions and Recommendations

Small and medium scale missions are the wave of the future and have particular human resource requirements. With minor adjustments to existing USAID systems, the Agency can adapt to this trend. Nine recommendations emerge from our study:

1. The Agency should require an organizational analysis for all new USAID missions prior to start-up. M/HR's Policy and Planning Branch and M/AS/OMS can assist regional

bureaus with these analyses. Analyses should review cost, security, nature and scope of the development program and the level of in-country and regional support services.

2. Recognizing that major external obstacles exist, the Agency should continue to pursue all possible steps to assure that all small and medium missions have access to USAID's Intranet. Until this is possible, USAID needs to explore other means of transmitting essential information, such as ADS chapters, to these missions more expeditiously.
3. Include a regular column on lessons learned from small USAID missions in EXONET; target small and medium missions, even those without an Executive Officer.
4. Assure adequate coverage for small missions during periods of leave or turnover. This can be accomplished through regional roving teams, or through Global or M Bureau field support mechanisms.
5. The Senior Foreign Service Performance Boards should credit the effective deployment of regional support services as part of the performance appraisal process for Mission Directors and 360 feedback from small missions should be incorporated into appraisals for regional support services providers and Mission Directors.
6. Performance Boards should also credit service in small missions as one of several factors that demonstrate an officer's versatility through managing multisectoral programs.
7. Regional Appraisal Committees should be established to review the work objectives and performance evaluations of employees from small missions.
8. Assure that all small and medium scale USAID missions complete FSN salary surveys. TDY support from M/HR or regional support teams can assist small missions with this important administrative task.
9. M/HR should work with M/AS/OMS and the Bureaus to develop a group of standard FSN position descriptions that can be used to launch new missions (to be replaced by specific position descriptions (SPDs) after the mission has been operational for at least two years.

Management Support Systems and Structures

In considering the problems of the small USAID mission in terms of management support systems, the group assumed that the Agency is strongly committed to the thesis that doing development work with an in-country presence is desirable.

The table below summarizes the staffing levels for support functions in the field, as of September 1999.

Function	USDH Foreign Service Staff	Number of Countries Where Staff are Located
Controllers	69	46
Contracting Officers	39	30
Executive Officers ²	50 ³	60

The group examined each of the support functions required by the small mission. These are discussed in the following paragraphs.

Controller Function

Assumptions

1. Out of 67 countries where USAID has staff conducting development programs, there are 46 that have Controllers, leaving 30 small missions relying on other larger missions to supply this service.
2. USAID must do its own core accounting.
3. The workload of the Controller function is directly tied to the volume of "management units", i.e., individual contract and grant actions processed. The Agency needs to increase efforts to minimize this volume (see discussion of Acquisition and Assistance function below).
4. The new financial systems to be deployed will change the roles of many in the field, and will mean that much more of the data entry for commitments, obligations, etc. is accomplished by program officials in regional and client missions, rather than in Controller shops. This will require both training and management acceptance and support of new ways of doing business.

Services Required

Core Accounting - Allowances, Obligations, Payments, Reporting, Reconciliations and Program Accountability
Payment Certification
Payrolls - USDH, FSN and USPSC - Time & Attendance to Full Payrolling functions
Audit coordination and follow-up
Contract/Grant closeout (in coordination with the Contracting Officer)
Unliquidated obligation management and review

² Information resources management support is provided by ExO staff; there are no direct-hire IRM specialists in the field.

³ Not including 13 USPSC ExOs.

Bill of Collections - accounting for, issue, follow-up and collection
FMFIA - management and follow-up
Financial Systems Integration - insure compliance with acceptable accounting standards and internal controls
Senior Mission Management Financial Advisor
Budgeting - preparation and monitoring
Financial Analyses - planning and oversight
Reports – create/maintain reports to support clients and those now doing financial input
Cost and cost analyses
Training on financial management and use of financial systems for all affected mission personnel

Strategies (Recommendations)

1. Redefine roles and responsibilities between the small mission and the regional support center, in light of new systems capabilities and regionalization strategy.
2. Increase training both for regional support centers and program managers in regional and client missions.
3. Prioritize and focus Agency strategic objectives and procurement approaches to reduce overhead.
4. Small Programs (Self-help and 116e) management support responsibilities should be transferred to the implementing agency.
5. Increased awareness of local capacity to perform required services.
6. Make greater use of ICASS.

Executive Officer Function

Assumptions

1. Out of 67 countries where USAID has staff conducting development programs, there are 60 that have ExOs (including 8 using a USPSC in the ExO position). Thus, only 15 of the very smallest sites have to rely on other larger missions, or on ICASS services from the Embassy, to supply this service.
2. Small missions must have the capacity to monitor the provision of management services and be an advocate for themselves in dealing with service providers. Without a USDH ExO to provide oversight, risks of inappropriate actions on the part of mission staff will increase.
3. The broad range of ExO services listed below may often be provided through cross-servicing arrangements, such as ICASS. However, concerns about cost and service levels of ICASS have led many to conclude that, currently, no other agency is capable of supplying quality administrative services to USAID.

Services Required

- Personnel management
- PSC contracting up to \$500,000
- Administrative (OE) procurement

- Program/Project procurement under \$100,000
- Maintenance
- Motor-Pool
- Vehicle Maintenance
- Housing
- Leasing
- Contractor Support
- Travel management
- Records and Communications Management
- Non-Expendable Property Management (furniture and equipment)
- Expendable Property (supplies)
- Warehousing
- Security
- Remote Office Management
- OE Budget Management
- Senior Mission Management Advice

Strategies (Recommendations)

1. Replace USDH and US/PSC ExOs in small USAID Missions with a FSN or a TCN ExO. In many cases this would require an extensive training program to bring them up to speed (M/AS/OMS is already working on this).
2. Inventory functions and determine other outside options for obtaining services (i.e. small missions may utilize some or all ICASS services and close some or all ExO operations).
3. Consider the creation of a new “Business Manager” position at small missions. These positions would be responsible for management of administrative as well as program activities within the mission, effectively combining the responsibilities of an ExO, Contracting Officer, Program Officer, and Deputy Mission Director.
4. In the absence of a local ExO or Business Manager, Mission Directors should receive additional training to provide them the tools to perform competent oversight of administrative support functions provided by FSNs, PSCs, ICASS, etc. The Agency should consider changes to the career path for senior managers to ensure that they have not only the required technical expertise but also the necessary management skills. Options such as rotations in administrative areas should be considered.

Information Resource Management Function

Assumptions

1. IRM support services are normally provided by the ExO staff, or in some cases, the Controller staff. There are no USDH IRM support staff in any field post.
2. All sites should have the automated tools needed to perform their delegated functions. (In other words, if it is important to USAID to put people on the ground in that country, then it

is important to provide them the tools they need - there should not be a "too small to bother with" category.)

3. Small missions must have their own computer networks; i.e., LANs, even in posts where they may be located in the embassy.
4. Small missions will differ widely from very technically sophisticated with excellent communications facilities to remote locations where IT support services are very basic.
5. Typically, small missions do not have high speed telecommunication links (VSAT) to USAID/W, and local Internet Service Provider (ISP) facilities historically have been unavailable or of poor quality, although this situation is changing rapidly. The in-country telephone service may also be uncertain. Although ISPs and the Internet are becoming available almost everywhere, IRM security, to date, has not permitted access via these facilities to the USAID/W systems because of the potential threat they represent. New approaches to using the internet without compromising security are being designed for USAID
6. In the next few years, IRM intends to fully exploit the capabilities of the World Wide Web technologies by providing Internet, Intranet and Extranet services, utilizing E-Commerce services and converting USAID systems to Web-based applications whenever possible.
7. Due to resource constraints, we need to minimize the requirements for a dedicated IT support staff in small missions.

Services Required

At a minimum, the following services must be provided at the mission, i.e., locally:

- Local area network operations that link together the PCs of local personnel to enable them to work as a team.
- Internet access (which will ensure access to email services, access to information available on the World-Wide-Web, or USAID's Intranet or Extranet, and potentially access to business applications, or at least the facility to download needed applications to the mission).
- Local systems administrator support, at least as a first line of defense for network and PC problem solving. (This does not necessarily require a full-time dedicated systems administrative person.)
- Access to business applications to support their assigned functions and delegated authorities.

Beyond the minimum, the following services may need to be provided on an as-needed basis, presumably by regional support staff, or via ICASS or contractors:

- User Training
- Software Development and Maintenance as required
- Local Applications Support (e.g., NXP system)
- IT Equipment Maintenance
- Automated Information Systems Security Services
 - Risk Assessments
 - Security Audits and Reviews
 - Contingency/Disaster Recovery Planning
 - Virus Detection, Elimination and Prevention
 - Security Training
- Information Retrieval and Library Services
 - Library Computer Operations and Database Management
 - Records Management Services

- Knowledge Management Support Services

Strategies (Recommendations)

1. In order to provide on-site support at even the smallest posts, cross-train a local support staff member to be able to handle simple system administration tasks as an incidental duty, rather than as a full-time responsibility.
2. Strengthen Help Desk capabilities and technical expertise at regional missions, to provide responsive support from someone in the same time zone.
3. Contract for local support on an on-call basis.
4. Acquire spares up front (e.g., for a staff of 5, buy 6-7 PCs) to reduce vulnerability to system problems.
5. USAID should select products that permit remote administration wherever possible.
6. Seek to take maximum advantage of the Internet as both a "free" communications resource, as well as a means of providing application functionality remotely.
7. Consider standardizing on products used by State wherever possible to facilitate obtaining support from embassies.

Acquisition and Assistance Function

Assumptions

1. Out of 67 countries where USAID has staff conducting development programs, 30 have Contracting Officers. For the most part, these are concentrated in the larger missions where controller functions are also located, but in a few cases, small missions have a CO, based on program needs. M/OP continually analyzes workload information to determine the best allocation of the limited CO staff. In addition, M/OP is working to develop a variety of "business models" to ensure that all small missions are provided adequate contracting support. Different models recognize that the most effective solution for one mission or region may not be the most effective choice elsewhere.
2. All missions have some limited delegation of procurement authority, exercised by the Mission Director or ExO. Procurements in excess of this delegated authority must be fulfilled by a warranted Contracting Officer in another mission or Washington.
3. Acquisition and assistance mechanisms (i.e., contracts and grants) are the primary tools by which USAID executes its programs overseas; thus, improved support for these functions in small missions is a critical priority.

Services Required

- Planning and executing Administrative (OE) purchasing
- Planning and executing Program-related acquisition and assistance:
 - Contracts
 - Grants
 - Cooperative Agreements

- Providing advice to mission program officials on the most effective contracting and grant strategies to achieve objectives, and keeping managers apprised of changes in procurement policies and regulations.
- Providing training and oversight for local support staff involved in purchasing/procurement matters, and for CTOs.

Strategies (Recommendations)

1. Increase utilization of umbrella-type multiple award task ordering contracts in order to reduce the workload associated with competing individual contracts for every program. The Office of Procurement has put such vehicles in place (mostly in the G Bureau) for basically every program area in the Agency. Similarly, encourage missions to utilize larger contracts or grants to provide full support for a strategic objective, as opposed to multiple, smaller instruments.
2. Increase utilization of "leader-associate" grants, and other umbrella assistance instruments, in order to reduce the large numbers of small grant transactions.
3. Require at least one FSN procurement specialist/negotiator to be on the staff of every field mission that does not have a resident CO.
4. Require each mission having a CO to have on staff an FSN-12 Procurement Specialist to ensure quality service to small missions when the CO is away from his/her home base.
5. Identify senior COs in each of the regional missions who would serve as coordinators for the provision of procurement services in the region, including covering other missions during absences of their CO due to TDYs, etc.
6. Establish an Agency policy on selected services that may be outsourced; e.g., having a contractor do PSC contracts, except for the actual obligation of funds. This should be consistent with Federal Policy (Circular A-76).
7. Expedite allocation of funds to missions so that all sites will have more time within the fiscal year to manage their procurement activities.
8. Strengthen Agency-wide procurement planning to allow more effective utilization of scarce contracting staff resources.
9. Require Cognizant Technical Officer (CTO) training for all individuals with this responsibility in order to improve the effectiveness of the overall contracting program and reduce the CO workload associated with contract administration.

Program Management –

Operating Systems, Accountability and Implementation

Based upon the areas of concern identified at the 1998 Mission Directors Conference, the Program Management subgroup identified and studied two topics confronting small- and medium-sized missions. These are:

- Can we find ways to make our Agency systems less labor-intensive, workloads more appropriately distributed, programs less complex, and reporting requirements less burdensome?
- How can we balance accountability and implementation pressures with the work of sustainable development?

Mission Configuration

The Program Management subgroup used the ADS definition of small- and medium-sized USAID missions as the starting point for developing an inventory of actions or changes that these missions felt should be made or which could better assist these missions in implementing their programs.

Approach

The subgroup canvassed a number of missions overseas as well as Washington offices to identify specific areas that people wanted to see changed. In response to our initial request for information, most small missions reported that their primary complaint on workload revolved around ad hoc information requests and reports. Thus, we asked the missions to identify the following:

1. Reports prepared annually, including any perceived redundancies. Timing of reports?
2. Resources used to help prepare reports; i.e., virtual teams, PSCs, TDY assistance, etc.
3. Number of goal or focus areas each mission was implementing.
4. Staff levels including USDH, PSCs, TAACS, etc.

Washington offices were asked to identify:

1. What are the Agency's needs for information?
2. Who uses the reports requested and for what purpose?
3. How does each bureau responds to its missions' needs and requests for assistance?

Findings

Most of the missions who responded to our survey felt that their biggest problem revolved around the ad hoc nature of requests for information from Washington. These missions asked that we try to streamline the information request process by:

- eliminating redundant requests,
- developing and publishing a timeline for report submission,
- establishing a "checkpoint" in Washington that would determine whether the information needed or requested was already available in another format prior to requesting such information from missions, and

- requesting that desk officers or other Washington-based operating units evaluate and respond to information requests to the maximum extent practical.

In addition, the missions asked that Washington develop standardized formats for reporting, maximize the use of the Internet for data collection, and combine, to the maximum extent possible, the major reporting documents into similar formats. For example, missions are encouraged by the move to utilize similar formats for the R4 and CP thereby potentially eliminating the requirement for missions to prepare two separate and distinct program documents annually. The R4 guidance was issued almost a month earlier than normal this year which provides missions greater flexibility in scheduling workload.

Missions reported that they did not mind having to prepare the routine documents, e.g., Congressional Presentation, R4, etc., but program implementation was often seriously impeded by the Agency imposing last-minute ad hoc data requests. Given the limited staff in small- and medium-sized missions, responses to these ad hoc requests came at the expense of program oversight and implementation.

Frequently, missions noted that the information required by the ad hoc request was available in Washington (R4 or CP), but no one attempted to synthesize available data and apply it to the new information request prior to requesting the field to respond to an immediate information need. Another oft cited complaint was the tendency for Washington to change information reporting requirements from year-to-year. Missions asked that Washington minimize annual changes that were not substantive in nature.

On program management, most missions felt that they had focused their programs to the maximum extent possible given foreign policy demands and Agency earmarks and directives. Many missions noted that they had taken major strides over the past four years in reducing the number of management units within their portfolio.

Recommendations

We recommend that:

1. Early in the fiscal year, USAID/W should issue the list of required reports, including date due, world-wide. A draft list of current requirements is attached on pages 37 and 38, broken down by program, administrative, and financial reports. Responsible office: PPC should take the lead in issuing such a list in consultation with other central and regional bureaus..
2. Required report formats should be standardized and loaded onto the Internet to the maximum extent practical to allow for easy data collection and use. For an example, see the data collected for the annual microenterprise report this year. Responsible office: PPC
3. Small missions should be provided with the latest information technology, given their reduced staffs and the ability of current IT to reduce workload. Responsible office: M/IRM
4. Each bureau (alternatively, PPC) should designate an information ombudsperson who would ascertain the best source for meeting significant USAID/W requests for

information. In addition, a Notice from the Administrator should be issued making the point that USAID/W should look first to non-mission sources of information (R4s, CPs, strategic plans, evaluations, desks, CDIE, etc.) before going to field missions for ad hoc information needs. Responsible office: PPC

5. Comprehensive annual reports (e.g., Congressional Presentation and the R4) should be standardized on similar formats to minimize data collection and reporting requirements. Responsible offices: LPA, M and PPC
6. All USAID missions should be encouraged to further reduce the number of management units and focus of country programs, consistent with approved strategic plans, in order to maximize results achievement in priority program areas while minimizing workloads. Responsible offices: PPC and Regional Bureaus.

CURRENTLY REQUIRED REPORTS

PROGRAM REPORTS	REQUESTOR	DATE DUE
Congressional Presentation	Agency/Bureau	15-Jan
CN/TN	Agency/Bureau	Varies
Congressional Q & As	LPA/Hill	Varies – Feb
R4	Agency/Bureau	01-Mar
Briefing Materials	LPA/ES/Bureau	Varies
Mission Program Plan (MPP)	DOS	01-May
Strategic Plan/Strategy Review	Bureau	varies
Program Implementation Report	Bureau/Mission	Quarterly
Global Climate Change	G/Bureau	31-Oct
Victims of Torture	PPC	December
Microenterprise Reporting	G/Bureau	
Emphasis Area Coding	M Bureau	Semi-annual
Stat Annex	Agency/Bureau	01-Feb
653a Report and updates	M Bureau/Hill	Quarterly
BPBS	Agency/Bureau	15-Jul
OMB Budget Presentation	Agency/Bureau	15-Oct
PVO Reporting	BHR	
HBCU	Agency/Bureau	
Pipeline Analysis	Bureau	Quarterly
Annual Pipeline Report to Hill	Congress	01-Dec
LABS	LAC Bureau	
Hurricane Mitch Reporting	LAC/Hill	Quarterly
Country Checklist	Bureau	31-Oct
Obligation Checklist	Mission/Agency	Varies
Gray Amendment	Agency/Bureau	
Minority Serving Institutions	Agency/Bureau	
Land-Grant Colleges/Universities	Agency/Bureau	
Grants/Contracts with Universities	M/LPA	31-Oct
Y2K Reporting	M/Bureau	Monthly
Customer Survey	G/ENV	15-Jan
PHN Projects Database (PPD)--fin'l data	G/PHN	
PHN Projects Database (PPD)--PHN coding	G/PHN	
Contraceptive Tracking	G/PHN	
CSD Obligations	G/PHN	15-Feb
CSD Programs/Activities	G/PHN/Hill	15-Feb

Tiahr Amendment	G/PHN	
PHN coding by directives	G/PHN	
Metering Plan	G/PHN	
Program/Technical Issues Comments	G/PHN	
Field Support	G	
USG Sponsored exchanges and training	G/HCD	30-Sep
Threshold Analysis	Bureau	Varies
Success Stories	LPA	Varies
ADMINISTRATIVE REPORTS		
Motor Vehicle (Cobra)	OMS	23-Aug
Motor Vehicle Inventory	OMS	23-Aug
SF82 Vehicle Report	OMS	15-Oct
U-754 NXP Vehicle Report	OMS	15-Oct
Mission Director's Residence Inventory	OMS	10-Nov
NXP Inventory Report	OMS	15-Nov
Real Property Inventory	OMS	31-Jan
Housing Profile	OMS	31-Jan
Energy Report	OMS	31-Jan
USAID Leases	M	15-Nov
OE Travel	M	15-Nov
Travel to non-AID sites	M	15-Nov
ICASS	M	Fall
Financial Disclosure Forms	GC	01-Nov
AEFs	HRDM	30-Apr
Workforce Analysis/Reporting	HRDM	
Position Validation	HRDM	
FINANCIAL REPORTS		
FMFIA	FM	31-Oct
Flash Reports	FM	Month-end
Monthly financial reports/cable/U101	FM	Month-end
Quarterly financial reports	FM	Month-end
Accruals	FM	Quarterly
1221 Report/Reconciliation	FM	Monthly
1311 Analysis	FM	Quarterly

Additional Recommendations

These recommendations, while consistent with our overall approach, were developed independently of the work of the three working groups. In some cases, they parallel or are derived from the recommendations relating to the Special Embassy Program made by the Department of State Inspector General in 1998. For comparison, see the original DOS recommendations in Annex D.

1. All central and regional bureaus should take explicit steps to provide a focal point that together with M and PPC will be responsible for overseeing, coordinating and monitoring the needs, tasks and requirements placed on small mission. This might be a bureau coordinator or perhaps regional coordinators in central bureaus .
2. Strategic planning should be expanded to include management planning. ADS 201 should be revised to require that USAID Missions preparing strategic plans include a program management section as part of the plan. This section would discuss the proposed staffing configuration to support the proposed strategy including use of support from neighboring missions or Washington.
3. As a part of the annual Bureau Program and Budget Submission (BPBS) process, bureaus should include in their submission a management plan that discusses the relationship between current staffing allocations and the country programs in that region, including non-presence activities. The discussion would present basic data on the relationship between program objectives and staff configuration and identify particular areas of vulnerability that warrant attention. PPC and M would jointly review these management plans and collaborate with bureaus in the review of the adequacy of management plans in relation to staff and OE constraints.
4. A comprehensive description of and regulations pertaining specifically to small missions should be prepared and published in the ADS. Alternatively, sections of the ADS that are not applicable to small missions should be explicitly identified.
5. USAID/W, and in particular regional bureaus, should develop plans for improving Washington backstopping capacities for smaller missions, through enhancement of the role of desk officers or other means appropriate for individual bureaus.

Conclusion

Three overarching conclusions emerge from this review of the circumstances facing our smaller missions. First, they are a valuable asset, and have proved that they can effectively deliver development assistance and promote USAID interests in a variety of circumstances. Second, they increasingly are our normal mode of overseas operations (already, 57% or 38 of 67 missions are in the two smallest categories, with 8 or fewer direct hire employees), and not exceptions to the rule. Third, for both of these reasons we must pay greater attention, on a sustained and continuing basis, to their needs and requirements. This report attempts to provide ways of ensuring this attention in positive and productive ways.

Annex A: Methodology

This study was carried out by a three-tiered structure approved by the Management Council and intended to provide the necessary perspectives and expertise to address this multifaceted issue. First, a Senior Advisory Group (SAG) was appointed by the Council, chaired by John Tennant (E&E/DAA) and consisting of a representative group of Council members and others.

The second component was a Washington Working Group, appointed to include all of the necessary expertise and bureau and functional perspectives that would be required for comprehensive coverage. Shortly after the initiation of the project, it became clear that the work would be facilitated by dividing this group into three subgroups, chaired by Mary Lewellen (ANE), Tony Cully (M/FM), and Betsy Brown (M/HR). These three groups produced the reports that are the heart of the study.

Finally, the project team had a “virtual component,” consisting of interested Mission Directors and others currently serving abroad, who commented on various products of the project throughout the process

A list of participants in these various study groups is found in Annex B.

Data collection of various types was carried out both by the central project team and the three working groups. Of particular assistance in these efforts were David Neverman of PRIME, Inc. and affiliated with M/IRM, and Lawrence Brown, M/HR. Together, they are responsible for the several charts and tables found throughout the text and in Annex C. Surveys were also conducted by the groups, and there were a significant number of informal consultations, both in Washington and with those in the field. Focus groups on specific topics were also employed.

Finally, reference was also made to the experience of the Department of State with its Special Embassy Program, instituted in the 1980's to help ease the plight of the smallest embassies abroad. While the circumstances of USAID's small missions and of the special embassies differ in a number of ways, there are enough parallels in the circumstances faced to warrant this comparison. For information, the findings of a 1998 State IG inspection of the Special Embassy Program are found in Annex D. Some recommendations in this study follow those recommendations closely.

Annex B: Project Group Membership

Senior Advisory Group

John Tennant (E&E) Chair and Study Director
Mike Deal (LAC)
Valerie Dickson-Horton (AFR)
Frank Donovan (M/OP)
Viviann Gary (E&E)
Rick Nygard (M)
Mike Smokovich (M/FM)
Karen Turner (ANE)
Ann VanDusen(PPC)
Bill Bacchus (Executive Director, Management Council)

Mission Directors Group

Bambi Arellano (Quito)
Carol Becker (Guyana)
Patricia Buckles (Manila)
Lisa Chiles (Colombo)
Paula Goddard (Brataslava)
John Grayzel (Kinshasa)
Lars Klassen (Panama)
Patricia Lerner (Budapest)
John Martin (Pnom Penh)
Spike Stevenson (Beirut)
Janice Weber (Brazilia)

Washington Working Group I: Program Management - Operating Systems, Accountability and Implementation

Mary Lewellen (ANE/ORR), Chair
Bill Anderson (ANE/ESA)
Barry Burnett (E&E/MT)
Olivier Carduner (PPC/PC)
Sandy Owens (M/FM)
Diana Swain (G/DG)
Jim Vermillion (G/DG)
Richard Whelden (LAC/DBP)

Washington Working Group II: Management Support Systems and Structure

Tony Cully (M/FM), Chair
Stephen Callahan (M/AS/OD)
Tim Crean (M/IRM/IPA)
Harry Dorcus (AFR/DP)
Michael Fritz (AFR/SA)
Carol Grigsby (AFR/WA)
Paula Miller (M/OP/A)
David Neverman (IRM)
David Ostermeyer(M/FM/CAR)

Washington Working Group III: Personnel and Human Resources

Betsy Brown (M/HR/POD), Chair

Tim Beaty (M/HR/PPIM)

John Bierke (M/HR/POD)

Pam Callen (M/B)

Lawrence Brown (M/HR/PPIM)

Charles Knight (M/AS/OMS)

David Leong (E&E/MT)

Ed Lundquist (E&E/OM)

Nancy McKay (AFR/DP)

Mary Reynolds (M/OP)

Betty Ryner (BHR/OTI)

Annex C: Data on Small and Medium USAID Missions

1. USAID Overseas Posts – Staffing and Functions (Table – p. 43)
2. Actual Distribution of Missions (Graph to accompany Chart in Introduction – p. 44)

USAID Overseas Posts - Staffing and Functions

as of 9/30/09

(sorted by region)

Bureau	Mission	Country	Location Type**	Staffing				Grand Total	Functions***				Internet SPS ** = >20/****	Strategic Objectives****		Program Size (FY09 \$m)****
				USPS	USPSCs	Total Eng	RUDD DM	RUDD Total	BMF-non-USDH	MACS	Cont	EO	CO	SOs	SPOs	
AFR	Nairobi	Kenya	Stand-alone	6	6	12			9	140	X	X	X	3	4	1
AFR	Nairobi (REDSCO)	Kenya	Stand-alone	16	23	115				115	X	X	X	3	4	1
AFR	Addis Ababa	Ethiopia	Stand-alone	10	2	144				144	X	X	X	4	4	1
AFR	Pretoria	South Africa	Commercial	18	10	125	3	6		121	X	X	X	4	5	0
AFR	Mogadishu	Mozambique	Commercial	14	9	121				121	X	X	X	1	4	1
AFR	Bamako	Mali	Stand-alone	15	3	112			2	114	X	X	X	3	2	1
AFR	Kampala	Uganda	Stand-alone	9	7	113				113	X	X	X	1	5	1
AFR	Dakar	Senegal	Stand-alone	15	1	112				112	X	X	X	3	0	1
AFR	Accra	Ghana	Stand-alone	12	9	187				107	X	X	X	4	0	1
AFR	Dar es Salaam	Tanzania	Commercial	7	3	85				85	X	X	X	4	5	0
AFR	Conakry	Guinea	Stand-alone	7	10	80				80	X	X	X	3	0	1
AFR	Gaborone (RCSA)	Botswana	Stand-alone	15	9	80				80	X	X	X	2	2	1
AFR	Lilongwe	Malawi	Commercial	9	2	82				82	X	X	X	5	0	1
AFR	Lusaka	Zambia	Stand-alone	8	1	80				80	X	X	X	2	0	1
AFR	Antananarivo	Madagascar	Stand-alone	7	7	79				79	X	X	X	1	2	1
AFR	Harare	Zimbabwe	Stand-alone	7	0	59	1	4		62	X	X	X	4	3	1
AFR	Cotonou	Benin	Stand-alone	7	3	81				61	X	X	X	2	1	1
AFR	Kigali	Rwanda	Stand-alone	4	7	55			1	56	X	X	X	3	0	1
AFR	Luanda	Angola	Stand-alone	1	6	39				39	X	X	X	2	1	1
AFR	Asmara	Eritrea	Stand-alone	1	1	27				27	X	X	X	3	0	1
AFR	Lagos	Nigeria	Commercial	2	1	19			4	23	X	X	X	5	2	1
AFR	Kinshasa	Republic of Congo	Commercial	1	3	16			2	18	X	X	X	1	0	1
AFR	Khartoum	Sudan	Stand-alone	0	1	14			1	15	X	X	X	1	0	1
AFR	Monrovia	Liberia	Embassy	2	0	14				14	X	X	X	2	0	1
AFR	Windhoek	Namibia	Commercial	5	2	7				7	X	X	X	1	4	0
AFR	Freetown	Sierra Leone	Commercial	0	0	1				1	X	X	X	1	0	1
AFR Totals				198	125	185	4	10	19	1944						
ANE	Cairo	Egypt	Commercial	64	11	341				341	X	X	X	12	5	3
ANE	Jakarta	Indonesia	Embassy	16	11	138	1	3	10	141	X	X	X	19	6	0
ANE	Manda	Philippines	Commercial	14	9	133			3	136	X	X	X	12	5	2
ANE	New Delhi	India	Embassy	13	1	111	1	9		120	X	X	X	10	5	1
ANE	Dhaka	Bangladesh	Embassy	16	3	87				87	X	X	X	5	3	0
ANE	Tel Aviv	West Bank	Commercial	14	8	83				83	X	X	X	14	4	1
ANE	Phnom Penh	Cambodia	Embassy	5	2	80				80	X	X	X	2	3	1
ANE	Rabat	Morocco	Commercial	6	2	53	1	3		56	X	X	X	4	3	1
ANE	Kathmandu	Nepal	Stand-alone	8	3	96			1	97	X	X	X	1	3	1
ANE	Amman	Jordan	Embassy	11	2	52				52	X	X	X	4	3	0
ANE	Colombo	Sri Lanka	Stand-alone	2	0	26				26	X	X	X	3	1	2
ANE	Ulaanbaatar	Mongolia	Embassy	1	1	7				7	X	X	X	2	2	0
ANE	Beirut	Lebanon	Embassy	1	0	5				5	X	X	X	2	1	2
ANE	Ankara	Turkey	Commercial	0	0	1				1	X	X	X	1	0	1
ANE Totals				171	53	1122	3	15	14	1152						
ENR	Kiev	Ukraine	Commercial	15	24	148				148	X	X	X	18	4	0
ENR	Moscow	Russia	Embassy	15	15	138				138	X	X	X	4	3	0
ENR	Almaty	Kazakhstan	Embassy	16	14	138				138	X	X	X	1	1	0
ENR	Sarajevo	Bosnia	Commercial	10	10	112			9	121	X	X	X	1	1	0
ENR	Tbilisi	Georgia	Commercial	10	13	81				81	X	X	X	4	4	0
ENR	Bucharest	Romania	Commercial	5	6	40				46	X	X	X	19	3	0
ENR	Budapest, RSC	Hungary	Commercial	9	6	46				46	X	X	X	8	0	0
ENR	Yerevan	Armenia	Embassy	7	9	45				46	X	X	X	3	0	1
ENR	Warsaw	Poland	Commercial	3	2	37	0	4		31	X	X	X	13	1	0
ENR	Sofia	Bulgaria	Commercial	4	1	25				25	X	X	X	16	2	0
ENR	Zagreb	Croatia	Commercial	2	4	17			6	23	X	X	X	6	3	0
ENR	Bratislava	Slovakia	Commercial	2	3	19				19	X	X	X	5	5	0
ENR	Skopje	Macedonia	Commercial	2	1	13				13	X	X	X	3	1	1
ENR	Vilnius	Lithuania	Commercial	0	3	13				13	X	X	X	8	4	0
ENR	Oslo	Norway	Embassy	1	2	13				13	X	X	X	1	0	1
ENR	Tirana	Albania	Commercial	3	2	12				12	X	X	X	3	2	0
ENR	Tashkent	Uzbekistan	Embassy	1	1	10				10	X	X	X	1	0	1
ENR	Bishkek	Kyrgyzstan	Embassy	2	2	9				9	X	X	X	1	0	1
ENR	Pristina	Kosovo	Commercial	7	7	7				7	X	X	X	1	0	1
ENR	Baku	Azerbaijan	Embassy	2	0	5				5	X	X	X	3	0	1
ENR	Ashtarak	Turkmenistan	Embassy	1	0	4				4	X	X	X	1	0	1
ENR	Pushkin	Tajikistan	Embassy	0	0	3				3	X	X	X	6	0	1
ENR	Belgrade	Yugoslavia/Serbia	Commercial	1	1	2			11	13	X	X	X	5	2	0
ENR Totals				117	119	985	0	4	26	936						
LAC	Guatemala City	Guatemala	Commercial	13	9	159	2	7		168	X	X	X	3	5	2
LAC	Port au Prince	Haiti	Stand-alone	17	10	183				183	X	X	X	3	5	2
LAC	Lima	Peru	Commercial	19	6	188				188	X	X	X	9	4	2
LAC	La Paz	Bolivia	Stand-alone	17	4	144				144	X	X	X	7	4	1
LAC	San Salvador	El Salvador	Embassy	14	2	125				125	X	X	X	2	4	1
LAC	Tequisqulapa	Honduras	Stand-alone	11	11	133			1	123	X	X	X	6	6	2
LAC	Managua	Nicaragua	Stand-alone	13	6	110				110	X	X	X	1	3	1
LAC	Santo Domingo	Dominican Republic	Stand-alone	6	4	82				82	X	X	X	3	2	1
LAC	Quito	Ecuador	Commercial	5	1	58	1	1		59	X	X	X	6	3	2
LAC	Kingstons	Jamaica	Stand-alone	10	2	52			2	54	X	X	X	4	0	1
LAC	Paramaribo	Suriname	Commercial	1	2	31				31	X	X	X	4	1	2
LAC	Bogota	Colombia	Embassy	2	3	22				22	X	X	X	10	2	2
LAC	Asuncion	Paraguay	Stand-alone	3	3	18				18	X	X	X	3	1	2
LAC	Brasilia	Brazil	Embassy	2	1	16				16	X	X	X	4	1	1
LAC	Mexico City	Mexico	Embassy	2	4	15				15	X	X	X	4	5	0
LAC	Georgetown	Guyana	Stand-alone	1	1	2				2	X	X	X	2	2	0
LAC Totals				135	68	1282	3	8	3	1293						
Subtotal Regional Bureaus				621	365	5234	10	37	62	5324						
PPC	Paris	France	Embassy	1	0	2				2	X	X	X	1	0	1
PPC	Tokyo	Japan	Embassy	0	0	1				1	X	X	X	1	0	1
PPC	Brussels	Belgium	Embassy	1	1	2				2	X	X	X	1	0	1
PPC	Geneva	Switzerland	Embassy	0	1	1				1	X	X	X	1	0	1
PPC	Rome	Italy	Embassy	1	0	2				2	X	X	X	1	0	1
PPC Totals				3	2	8				8	X	X	X	4	0	4
ENR	Rome	Italy	Embassy	1	0	1				1	X	X	X	1	0	1
ENR	Costa Rica	Costa Rica	Embassy	1	0	1				1	X	X	X	1	0	1
ENR	Burundi	Burundi	Embassy	1	0	1				1	X	X	X	1	0	1
ENR Totals				3	0	3				3	X	X	X	2	0	2
Total				625	367	5233	10	37	72	5332						

* Based on 9/30/09 WWSR, with minor modifications to reflect known changes, such as Kosovo

** Location Type: per data accumulated by MACS - Commercial Office Bldg., Standalone Compound/Collocated w/Embassy

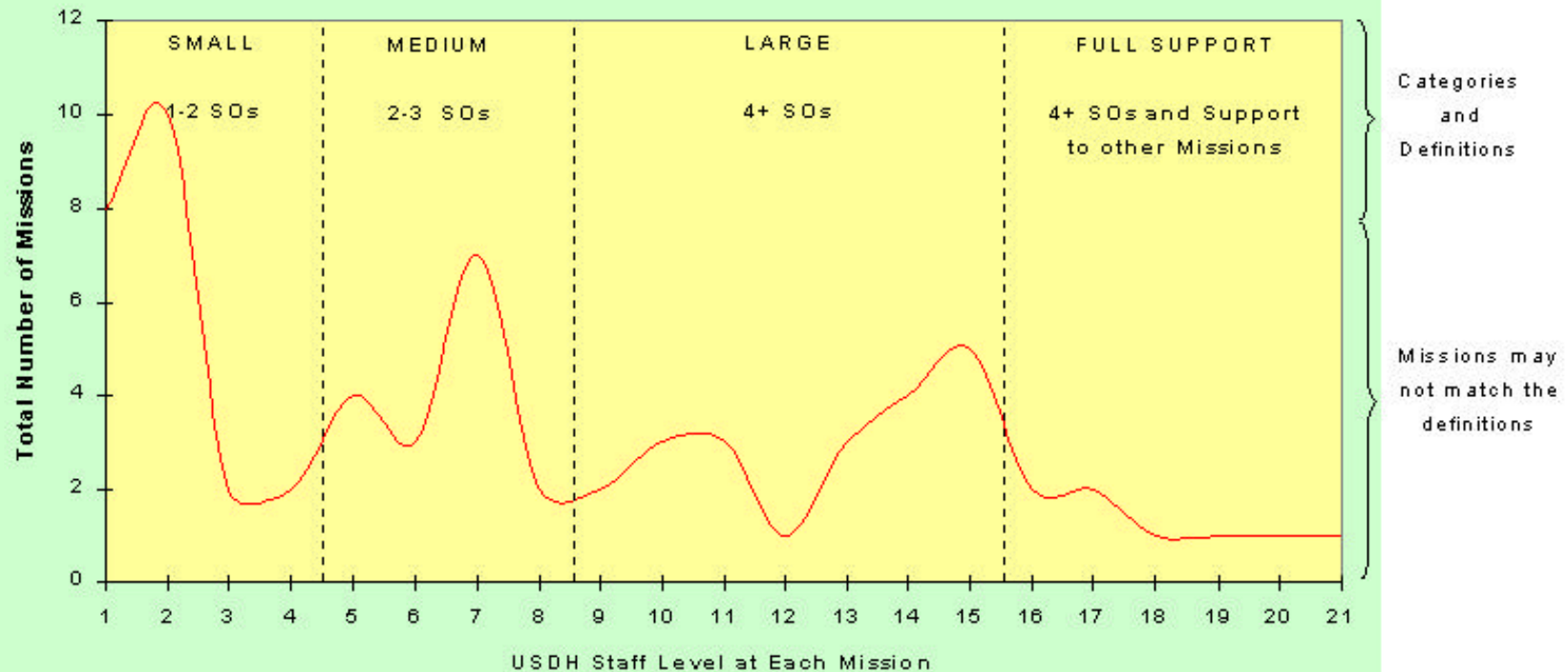
*** Functions: MACS - have a Controller & MACS; Cont. - have a Controller but not MACS; EO - have an EO; CO - have a Contracts Officer

**** Number of commercial SPS in country, per data posted on the world-wide web

***** Numbers of SOs and Program size are based on most recent FY data; these should only be taken as approximate indicators of program size

Includes FY99 Central American and Caribbean Emergency Disaster Recovery Fund (Hurricane Mitch and Georges) and Eastern Caribbean resources.

Actual Distribution of Missions



Data is derived from the "USAID Overseas Posts - Staffing and Functions (as of 9/30/99)" table prepared by David Neverman, adjusted to exclude non-presence countries, regional service centers, RHUDOs, and PPC and BHR overseas postings, and grouping E&E country programs managed by the Caucasus and Central Asian Republics missions. USAID Cairo is not reflected in this chart.

EXPLANATORY NOTES: The data line shows the number of missions (Y axis) with a given number of on board USDHs (X axis). For example, there are two missions reporting three USDHs. The segmentation into Small, Medium, Large and Full Support is an overlay of the guidelines provided in ADS 102 which says, for example, Small missions would have four or less USDHs and manage no more than two Strategic Objectives (SOs). This chart does not reflect or incorporate the distribution of numbers of SOs across the universe of missions. For example, this chart does not show that as many as seven Small missions are managing more than two SOs.

Annex D:

Recommendations:

State IG Inspection of the Small Embassy Program

September, 1998

KEY JUDGMENTS

(pages i-ii of Report)

– Special Embassy Program (SEP) posts generally are ready to perform their limited missions. Many of the problems found in SEP posts—understaffing, poor support, lack of training—are systemic and also found in larger posts. However, in the smaller posts the problems are exacerbated. The overwhelming majority of personnel at SEP posts are motivated, resourceful, overworked individuals who need and deserve the support of the Department at the headquarters and regional levels. This support should be improved.

– The lack of a clearly defined, codified SEP combined with a lack of adherence to the SEP guidelines, has led to confusion about what SEP is, how it works, and what it is supposed to accomplish. In essence, the viability of the program is being questioned. Nevertheless, the program is needed and has been partially successful. A clearly defined and regulated program, strongly supported by management and coordinated closely with all bureaus, could promote the results originally envisioned by the Department.

– Personnel related issues are the major problems at SEP embassies. Staffing levels are generally appropriate when all positions are filled and all officers present at post. Unfortunately, this is not the case at a significant number of SEP embassies. Staffing gaps wreak havoc on already thinly staffed SEP posts. SEP posts should coordinate with the Office of Career Development and Assignments in the Bureau of Personnel (PER/CDA) to minimize staffing gaps due to personnel transfers. A comprehensive plan to address this problem is required. Recruiting and training of American and Foreign Service national employees at SEP posts is difficult but crucial to their successful operation.

– Functional and regional bureaus often bypass the clearance of taskings by the SEP coordinator in the Office of Management, Policy and Planning (M/P). Additionally, it is difficult to expect this coordinator to have the universal expertise to ascertain the appropriateness of tasks to SEP posts worldwide. Bureau SEP coordinators should provide assistance in screening taskings prior to transmitting them to posts.

– The SEP deputy chief of mission (DCM) selection method does not follow the committee process as outlined in SEP guidelines. Ambassadors have worked around the system to influence the selection of candidates of their choice. The Department should make

the selection criteria and procedures consistent for all DCMs.

- By implementing centralized translation of demarches for Spanish and Arabic, and expanding French and Russian, the Department could ease a burden on SEP posts and ensure uniformity.
- Department support could improve operations at SEP posts by a) reducing the excessive taskings imposed on posts, b) providing end-user comments on the volume and utility of post-generated work, and c) providing timely feedback and support on mission performance plans (MPP) and other requirements.

RECOMMENDATIONS

(pages 24-25 of Report)

Recommendation 1. The Department should require all bureaus to identify a bureau Special Embassy Program coordinator who, together with the Office of Management, Policy and Planning Special Embassy Program coordinator, will be responsible for overseeing, coordinating and monitoring the needs, tasks, and requirements placed on Special Embassy Program posts. (Action: M/P, in coordination with all bureaus)

Recommendation 2. The Department should prepare a comprehensive description of, and regulations pertaining to, the Special Embassy Program for publication and worldwide distribution in the Foreign Affairs Manual. (Action: M/P)

Recommendation 3. The Department should ensure that mission performance plan preparation instructions and guidance for Special Embassy Program posts are clearly written, made available well in advance of mission performance plan due dates, and preparation assistance is readily available. (Action: M/P, in coordination with regional bureaus, S/RPP, EMP, PER, and M/IRM)

Recommendation 4. The Department should develop a procedure to evaluate mission performance plans and provide timely, comprehensive feedback to Special Embassy Program embassies. (Action: Regional and functional bureaus, in coordination with M/P)

Recommendation 5. The Department should prepare and implement a comprehensive plan to minimize staffing gaps that exceed 30 days at Special Embassy Program posts. (Action: M/DGP, in coordination with the regional bureaus)

Recommendation 6. The Department should reissue and enforce its policy on backup staffing for one-officer consular sections during extended staffing gaps. (Action: M/P, in coordination with CA, PER/RMA, and the regional bureaus)

Recommendation 7. The Department should provide backup support for information program officers absent from post in excess of 30 days. (Action: M/IRM, in coordination with

M/P and all regional bureaus)

Recommendation 8. The Department should ensure that employees assigned to Special Embassy Program posts obtain training requisite to their jobs. (Action: MIDGP, in coordination with regional bureaus and M/FSI)

Recommendation 9. The Department should standardize the deputy chief of mission selection process for all embassies. (Action: M/DGP, in coordination with M/P)

Recommendation 10. The Department should develop a comprehensive training segment on the Special Embassy Program for inclusion in the Ambassadorial Seminar, and the deputy chief of mission course. (Action: M/FSI, in coordination with M/P)

Recommendation 11. The Department should develop procedures to ensure that chiefs of mission at Special Embassy Program posts receive feedback annually on reporting, including end-user comment on reporting volume and utility. (Action: M/P, in coordination with regional bureaus)

Recommendation 12. The Department should devise a system to ensure that action cables to Special Embassy Program posts are relevant to the post being tasked and that it screens out inappropriate traffic, such as volunteer cables, prior to transmission. (Action: IRM, in coordination with M/P and all bureaus)

Recommendation 13. The Department should issue instructions to chiefs of mission of Special Embassy Program posts to review cable traffic with heads of other agencies to eliminate nonessential communication. (Action: M/P)

Recommendation 14. The Department should direct regional and functional bureaus to establish uniform policies and practices for supporting Special Embassy Program posts. (Action: M/P, in conjunction with M/DGP/MED and regional and functional bureaus)

Recommendation 15. The Department should develop and implement world language translation and text distribution policy and procedures for Arabic and Spanish. The Department should expand existing programs for French and Russian. (Action: A/OPR/LS)